LMC BULLETIN

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STRONG INCREASE IN BEEF SIRED CALF BIRTHS IN NORTHERN IRELAND

Beef sired calf registrations in NI during March 2015 totalled 30,437 head, a 26.4 per cent increase on March 2014 when 24,080 beef sired calves were registered.

This notable increase in calf registrations can be linked to better production conditions and improved cow body scores last summer when compared to the corresponding period in 2013. The combination of these factors have resulted in improved cow fertility with more beef sired calves produced this spring as a result.

During the first quarter of 2015 a total of 68,192 beef sired calves were registered on NI farms compared to 57,744 during the corresponding period in 2014. This increase by 10,448 head accounts for an 18 per cent increase year on year. It is however worth noting that calf registrations during the first quarter of 2014 were very low due to production difficulties in 2012/2013.

Figure 1 outlines beef sired calf registrations in NI for the first quarter of the year from 2009-2015. Calf registrations during 2015 are the second highest during this six year period and are just below the 69,443 beef sired calves registered in the first quarter of 2012.

The strong recovery in calf registrations in recent months has resulted in an increase in the number of beef sired cattle on NI farms in the 0-6 month age category as outlined in Table 1. At the end of March 2015 there were 95,749 beef sired cattle on NI farms in the 0-6 month age bracket, a 17 per cent increase on the 81,669 in the category at the end of March 2014. It was also 9.4 per cent higher than the 87,510 head on NI farms at the end of March 2013.

The number of beef sired cattle in the 6-12 month age category has also recorded an increase with numbers at the end of March 2015 6 per cent higher than year earlier levels and 1.3 per cent higher than the end of March 2013 levels.

While the improvement in calf registrations will lead to improved cattle supplies in the longer term there has been a notable decrease in the number of beef sired cattle in the older age brackets as outlined in Table 1. This will lead to tighter supplies of domestic cattle as 2015 progresses.

The number of beef sired cattle in the NI cattle herd aged 24-30 months at the end of March 2015 totalled 83,012 head. This is a reduction of 6,143 head or 6.9 per cent from the previous year when there were 89,155 beef sired cattle in this age bracket on NI farms.

Meanwhile the number of beef sired cattle in the 12-18 month age bracket at the end of March 2015 was 3.4 per cent lower than year earlier levels with the number in the 24-30 month age bracket back by 2.8 per cent over the same period.

Dairy sired cattle

Dairy sired male cattle act as an important source of beef for NI processors and there has also been an increase in the number of dairy sired male calves registered on NI farms with 25,161 male calves registered during the first quarter of 2015 compared to 24,182 male calves during the corresponding period in 2014.

The improvement in dairy male calf registrations has resulted in a slight increase in the number of dairy sired male cattle in the NI cattle herd in the 0-6 month age category at the end of March when compared to year earlier levels. This has been helped by a 6 per cent reduction in the number of dairy bull calves being exported out of NI during the first quarter of 2015 when compared to year earlier levels.

However the number of dairy origin male cattle which are destined for beef production on NI farms at the end of March 2015 was lower in all older age brackets. The most notable decline has been in the 18-24 month age category which was down by 12 per cent on year earlier levels at the end of March 2015.

Figure 1: Beef sired calf registrations during Quarter 1 2009-2015

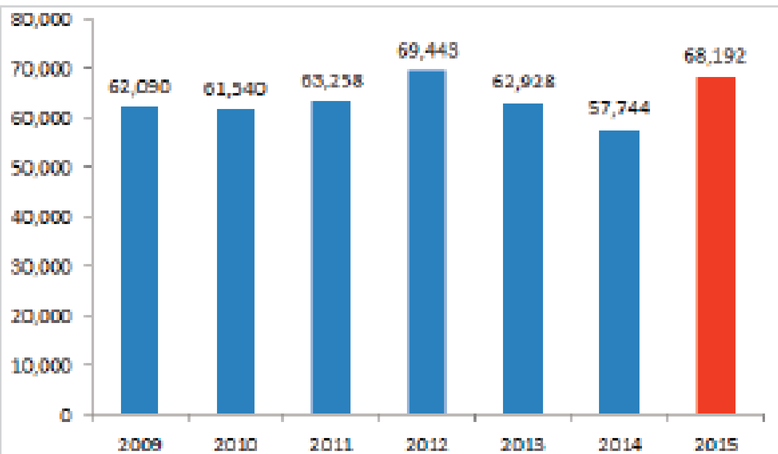


Table 1: Beef sired cattle on the ground in NI at the end of March 2013-2015

	2013	2014	2015	2014/2015	2013/2015
0-6	87,510	81,669	95,749	+17.2%	+9.4%
6-12	166,187	158,818	168,363	+6.0%	+1.3%
12-18	159,404	144,285	139,395	-3.4%	-12.6%
18-24	131,002	129,382	125,720	-2.8%	-4.0%
24-30	84,528	89,155	83,012	-6.9%	-1.8%
30-36	47,903	43,250	42,948	-0.7%	-10.3%

SHEEP EXPORT UPDATE

CHANGES to the labelling rules for packaged meat which came into effect from 1 April 2015 are reportedly having a significant influence in the cross border trade of sheep. Under the new legislation meat from sheep born in NI and killed in ROI needs to be labelled as born in the UK and slaughtered in ROI. Reports have indicated that this dual origin labelling is causing some issues for ROI processors in servicing certain markets.

ROI plants provide an alternative market for NI origin sheep and last year exports to ROI accounted for 45 per cent of total NI sheep flock output and last week exports to ROI totalled 4,509 head, the lowest weekly export for the year to date. There have been reports of reduced demand for NI origin sheep from ROI plants and a slacker trade in the marts as a result but there are other factors which also influence the trade.

The effect of a weak euro against sterling on the trade must be considered and it is also worth noting that the decline in exports in recent weeks has followed a normal seasonal trend as supplies of hoggets come to an end. It is therefore difficult to quantify the full effect that this change in legislation has had on the cross border trade. Nevertheless with ROI being such an important outlet for NI origin sheep it is important that every step is taken to ensure a quick and effective resolution.

IMPORTS OF CATTLE FROM ROI FOR FURTHER PRODUCTION INCREASE IN QUARTER 1

IMPORTS of cattle from ROI have in the past provided a valuable source of cattle for further breeding and production on NI farms. However with these cattle out of spec for major customers in the UK and alternative markets returning weaker prices for this beef fewer of these cattle were imported during 2014 due to lower farmgate prices associated with mixed origin cattle.

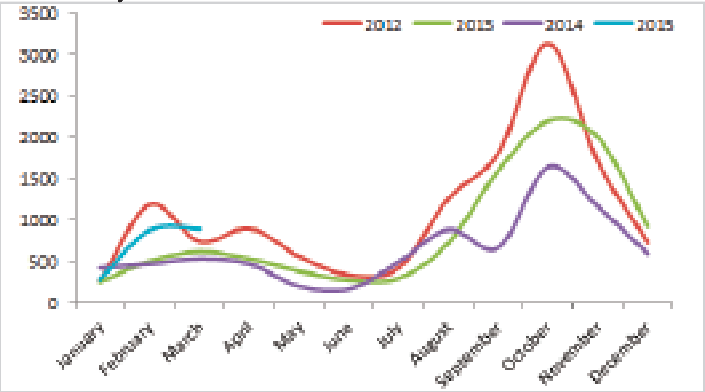
However there have been reports of increased activity in marts in ROI from NI beef finishers in recent months and this can now be seen in the increase in the number of cattle being imported into NI from ROI for further production. For the purposes of this analysis only male cattle have been considered as these will almost all be destined for beef production on NI farms.

During March 2015 890 male cattle were imported into NI from ROI for further production taking total male imports for the first quarter to 2,045 head. In the corresponding period in 2014 a total of 1,407 male cattle were imported for further production. This increase by 638 head accounts for a 45 per cent increase year on year. The level of imports of male cattle during the first quarter of 2015 was at its highest level since 2012 when 2,173 male cattle were imported.

The strength of sterling against euro will have been a key factor in the decision for some NI producers to consider buying ROI origin stock for further production despite the significant penalties for ROI born and NI finished cattle at point of slaughter. The tighter supplies of store cattle available in NI due to the reduced calf registrations and low levels of imports until recently will also have prompted some producers to consider importing ROI origin stock.

It is important that anyone considering importing cattle for further production is aware of the potential for significant penalties to be applied to these mixed origin cattle at point of slaughter reflecting their lower end market value. Processors can still market these type of animals but will do so at a price that may be below that of UK born animals. It is therefore important that producers have consulted the processors and organised an outlet for these animals prior to purchase to avoid significant penalties further down the line.

Figure 2: Imports of male cattle into NI from ROI for further production from January 2012-March 2015



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WEEKLY BEEF & LAMB MARKETS

LMC

CATTLE TRADE

NI FACTORY QUOTES FOR CATTLE

(P/KG DW)	This Week 13/04/15	Next Week 20/04/15
Prime		
U-3	328 - 334p	328 - 334p
R-3	322 - 328p	322 - 328p
O+3	316 - 322p	316 - 322p
	Including bonus where applicable	
Cows		
O+3 & better	230 - 250p	230 - 250p
Steakers	140 - 170p	140 - 170p
Blues	120 - 130p	120 - 130p

Cow quotes vary depending on weight and grade.
Pricing policies vary from plant to plant. Producers are advised to check pricing policies before presenting cattle for slaughter.

REPORTED NI CATTLE PRICES - P/KG

W/E 11/04/15	Steers	Heifers	Young Bulls
U3	352.2	344.5	329.6
R3	340.6	337.8	327.1
O+3	328.0	329.1	310.7

*Prices exclude AA, HER and Organic cattle

REPORTED COW PRICES NI - P/KG

w/e 11/04/15	Wgt <220kg	Wgt 220-250kg	Wgt 250-280kg	Wgt >280kg
P1	131.1	147.3	147.7	185.1
P2	147.9	173.8	186.0	209.2
P3	171.2	202.4	215.6	225.1
O3	-	204.7	234.2	243.4
O4	-	-	229.6	247.2
R3	-	-	270.0	268.2

Deadweight Cattle Trade

QUOTES from the plants this week for U-3 grade prime cattle ranged from 328-334p/kg with the majority of plants quoting in the region of 332p/kg. Similar quotes are expected for early next week with indications from some processors that supplies of cattle coming forward for slaughter have started to tighten. Quotes for good quality O+3 grade cows have remained unchanged at 230-250p/kg this week with the majority of plants quoting 240-250p/kg.

Throughput of prime cattle in the NI plants last week was the lowest for the year to date due to the shorter working week and totalled 5,132 head. Cow throughput was also lower last week and totalled 1,017 head. Imports of prime cattle from ROI for direct slaughter last week totalled 302 head, an increase from the 228 imported the previous week. A total of 46 cows were also imported from ROI for direct slaughter in NI plants last week with 165 cows exported from NI for direct slaughter in ROI plants. There were no cattle exported from NI to GB for direct slaughter last week.

The NI deadweight cattle trade has remained fairly stable with the average steer price in NI last week unchanged from the previous week at 332.4p/kg and the R3 steer price down by 1.3p/kg to 342.5p/kg. The average heifer price in NI last week was 333p/kg, up by 1p/kg from the previous week with the R3 heifer price up by the same margin to 339.6p/kg.

In GB last week the deadweight cattle trade continued to come under pressure with the average steer price back by 5.4p/kg to 343.2p/kg and the R3 steer price back by 4.2p/kg to 348.5p/kg. This was the lowest R3 steer price in GB since the last week in August 2014. A reduction in the R3 steer price was recorded in all the GB regions with the most notable decrease recorded in Scotland where it was back by 7.6p/kg to 353.1p/kg. The R3 steer price in Southern England also recorded a marked decline, down by 6.8p/kg to 340.4p/kg. The differential in R3 steer prices between NI and GB last week was 6p/kg.

The deadweight heifer trade in GB last week also came under pressure with the average heifer price back by 2.8p/kg to 345.6p/kg. The R3 heifer price was back by a similar margin to 349.9p/kg last week with the R3 heifer price back in all the GB regions. The biggest decline was recorded in Southern England where the R3 heifer price was back by 5.3p/kg to 341.1p/kg although this was still above the equivalent price in NI. The differential in R3 heifer prices between NI and the GB average last week was 10.3p/kg.

The trade in ROI has steadied with reports indicating a tightening in cattle availability. In euro terms the R3 steer price was up by 1.5c/kg last week but due to currency changes remained steady in sterling terms with a similar trend observed in R3 heifer prices. The differential in R3 steer prices between NI and ROI last week was 43.6p/kg while the differential for R3 heifers was 32.8p/kg.

LAST WEEK'S DEADWEIGHT CATTLE PRICES (UK / ROI)

W/E 11/04/2015		Northern Ireland	Rep of Ireland	Scotland	Northern England	Midlands & Wales	Southern England	GB
Steers	U3	352.1	306.5	361.3	359.5	358.2	353.1	358.7
	R3	342.5	298.9	353.1	350.8	346.8	340.4	348.5
	R4	338.2	298.6	355.4	358.8	347.8	340.8	352.8
	O3	323.7	284.5	336.3	325.6	319.5	317.3	325.3
	AVG	332.4	-	353.9	348.2	336.5	327.2	343.2
Heifers	U3	345.0	318.2	364.2	364.3	361.6	357.3	362.4
	R3	339.6	306.8	355.5	350.7	348.8	341.1	349.9
	R4	335.7	307.1	355.8	353.9	348.6	341.7	351.3
	O3	327.7	293.6	334.7	332.0	320.2	319.5	327.7
	AVG	333.0	-	355.1	349.1	339.8	331.2	345.6
Young Bulls	U3	329.3	298.4	356.8	337.7	347.7	346.0	345.5
	R3	327.8	292.2	344.8	325.2	331.7	331.4	331.2
	O3	297.6	278.6	303.9	301.7	310.5	304.6	305.1
	AVG	301.0	-	312.7	314.1	324.4	316.3	317.8
Prime Cattle Price Reported		4371	-	6033	5578	5064	3649	20324
Cows	O3	241.3	251.0	264.5	251.8	244.0	242.1	251.9
	O4	246.5	253.4	264.2	251.4	249.2	248.3	254.0
	P2	193.2	221.7	200.0	205.3	190.7	189.0	195.5
	P3	220.6	246.5	223.9	226.8	204.7	210.4	215.7
	AVG	223.0	-	257.3	229.5	211.2	213.1	229.0

Notes: (i) Prices are p/kg Sterling-ROI prices converted at 1 euro=72.66p Stg
(ii) Shading indicates a lower price than the previous week.
(iii) AVG is the average of all grades in the category, not just those listed

LATEST LIVEWEIGHT CATTLE MART PRICES NI

	1st QUALITY			2nd QUALITY		
W/E 11/04/15	From	To	Avg	From	To	Avg
Finished Cattle (p/kg)						
Steers	194	211	196	170	193	182
Friesians	-	-	-	-	-	-
Heifers	188	200	194	160	187	183
Beef Cows	125	172	150	100	124	112
Dairy Cows	101	125	110	60	100	80
Store Cattle (p/kg)						
Bullocks up to 400kg						
Bullocks 400kg - 500kg						
Bullocks over 500kg			No Sale			
Heifers up to 450kg						
Heifers over 450kg						
Dropped Calves (£/head)						
Continental Bulls	250	370	310	120	248	185
Continental Heifers	245	335	270	100	242	170
Friesian Bulls	80	130	105	25	78	50
Holstein Bulls	50	128	90	2	48	25

SHEEP TRADE

SHEEP QUOTES

(P/Kg DW)	This Week 13/04/15	Next Week 20/04/15
Hoggets	360>22kg	360>22kg
Spring Lambs	430-460>21kg	430-460>21kg

REPORTED SHEEP PRICES - P/KG

(P/KG DW)	W/E 28/03/15	W/E 04/04/15	W/E 11/04/15
NI Hoggets L/W	361.7	339.4	345.8
NI Hoggets D/W	410.9	401.7	396.9
GB Hoggets D/W	450.5	440.6	443.2
ROI Deadweight	416.7	410.4	410.3
NI Spr Lmbs L/W	440.6	432.0	421.6
NI Spr Lmbs D/W	422.8	418.9	450.6

Deadweight Sheep Trade

QUOTES for R3 grade hoggets ended the week at 360p/kg up to 22kg with similar quotes expected for early next week. Quotes for spring lambs ranged from 430-450p/kg this week with plants paying up to 21kg. Sheep throughput has continued to decline in line with normal seasonal trends with 4,417 lambs/hoggets slaughtered last week. The shorter week will also have impacted sheep throughput in the NI plants. The deadweight hogget price in NI last week was 396.9p/kg, back 4.8p/kg from the previous week while the deadweight trade in ROI remained steady at 410.3p/kg. The average spring lamb price in NI last week was 450.6p/kg.

This Week's Marts

THE hogget trade in the marts this week has come under pressure with reduced demand for heavier hoggets for export in particular. In Saintfield on Tuesday 362 hoggets sold from 300-350p/kg compared to 270 hoggets last week selling from 325-416p/kg. In Ballymena this week 757 hoggets sold to an average of 310p/kg compared to 704 hoggets last week selling to an average of 345p/kg. In Markethill this week 900 hoggets sold to an average of 325p/kg compared to 780 hoggets last week selling to an average of 342p/kg. Small numbers of spring lambs have started to pass through the sale rings with reported average prices of 390-436p/kg. The firm trade for cull ewes has continued with a top reported price of £146 in Omagh last Saturday.

LATEST SHEEP MARTS

From: 11/04/15		Hoggets (P/KG LW)				Spring Lambs (P/KG LW)			
To: 17/04/15		No	From	To	Avg	No	From	To	Avg
Saturday	Massereene	696	330	372	-	134	405	450	-
	Swatragh	475	317	386	-	65	427	472	-
Monday	Kilrea	400	325	402	-	-	-	-	-
Tuesday	Saintfield	362	300	350	-	80	380	410	-
	Rathfriland	433	300	357	333	65	414	460	436
Wednesday	Ballymena	757	290	373	310	135	380	504	390
	Enniskillen	578	328	359	340	75	408	439	420
	Markethill	900	300	352	325	-	-	-	-

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